

Rural Business Hubs in Tamil Nadu

849. SHRI T.T.V. DHINAKARAN: Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the salient features of Rural Business Hubs;
- (b) the details of Rural Business Hubs in Tamil Nadu with location, investment and current status;
- (c) whether Government have plans to extend this to other districts in the State; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRIMATI SURYAKANTA PATIL): (a) Rural Business Hubs (RBH) is an initiative of Ministry of Panchayati Raj aimed at generating prosperity of rural areas of the country and all sections of the society by synergistically harnessing the relation between resources/skills rich rural areas and technology/marketing skills of the Private industry. Panchayats who are mandated by Article-243G of the Constitution will take up the role of planning and implementing programmes for social and economic development by performing the role as Institutions of local self-governments. RBH is built on the principle of four Ps i.e. Public-Private-Panchayat Partnerships. Ministry is partnering with Confederation of Indian Industries (CII) in implementing this initiative so that adequate linkages are developed between Panchayats, industries and business. In this effort, industries will contribute product differentiation, marketing and other professional skills while rural entrepreneurs will produce standardised products and deliver on time so that they reach wider National/International markets.

RBH is conceived as a very flexible programme with models open to interpretation to suit local conditions but also meeting the following essential criteria:

Should be a business activity, should be carried out in rural areas, should create productive livelihood and incomes, should generate employment and should be actively facilitated by the Panchayati Raj Institutions (PRIs).

It is distinct from earlier efforts at bringing in prosperity in rural areas in that it is built on a viable business proposition, implemented by the industry ensuring profitability and competitiveness, non exploitative, the whole process being actively facilitated and led by elected PRIs. Business partners for RBH can be members of the industry, Central/State supported agencies like PSUs. Promotional Organisations, large Cooperative etc. having access to wider markets and interested in marketing rural products. They will play a lead role in establishing and maintaining RBH.

Any of three levels of PRIs can initiate RBH. However, in the initial phase, focus will be on Intermediate Panchayats. Ideally, Panchayat will play the role of a governance partner and not that of a business partner. State Government and Ministry of Panchayati Raj will provide overall supporting and enabling environment.

(b) A total of thirteen Memoranda of Understanding (MoUs) have been signed in the State of Tamil Nadu. Eleven of them are in Nagapattinam District and one each in Thiruvarur and Cuddalore Districts and the details and their present stage may be seen in the enclosed Statement (See below).

With regards to funding and investment, Panchayats are essentially required to play the governance role and technology, resources etc. are to be mobilized by business partners. The financing of Rural Business Hubs is envisaged as a business proposition which could be supported by such 'top-up' funds as may be available for the purpose. It is also expected that Panchayats will coverage Centrally Sponsored Schemes and State Government Schemes for funding RBH in rural areas, wherever Panchayats are in place.

(c) and (d) It is proposed to set up RBHs in all District and Blocks of the country including Tamil Nadu depending on the initiative taken by the State Governments, Panchayats and industry/PSUs.

Statement**RBH in Tamil Nadu**

Sl. No.		Date of MoUs	Name of Panchayat/Block/District	Name and address of Business Partner	Product/Activities	Current Status
1	2	3	4	5	6	7
1.	29th July 2006	Mayiladuthurai Block Nagapattinam (Dist.)	M/s K.M.R. Industries VALLAHARAM VILLAGE Mayiladuthurai Block & Taluk, Nagapattinam District	Desiccated Coconut Powder	1. SSI Certificate obtained. 2. Firm registration of partnership completed. 3. Location and site purchased. 4. Project proposal Ready for filing.	The Promoter by name Mr. Karthigeyan is in the process of enquiring about the profitability of project in this area.
2.	29th July 2006	Mayiladuthurai Block, Nagapattinam (Dist.)	Classic Bio-mass Moovalur village, Mayiladuthurai Block, Mayiladuthurai Taluk, Nagapattinam (Dist.)	Bio-gasifier	Not interested in the project.	
3.	29th July 2006	Mayiladuthurai Block, Nagapattinam (Dist.)	Cholan Bio-mess Kodimangalam (Block) Mayiladuthurai	Bio-gasifier		
4.	29th July 2006	Kuttalam Block, Nagapattinam (Dist.)	Negapattinam (Dist.) M/s SHAMEENA Food Industries Kodimangalam Village, Kuttalam Block, Mayiladuthurai	Food Processing Unit (Wheat Repacking unit)	The Promoter Mr. Mohammed Iqbal is presently identifying the location to set up the unit.	
5.	29th July 2006	Kuttalam Block, Nagapattinam (Dist.)	Negapattinam (Dist.) M/s ACTT Chamber Bricks Industries, Kappur Village, Kuttalam Block, Mayiladuthurai (Tl.), Negapattinam (Dist.)	Manufacturing of Chamber Bricks	The Promoter Mr. Senthil Kumar had visited the neighbouring areas and is preparing the necessary documents for filing with Bank.	

1	2	3	4	5	6
6.	30th July 2006	Kuttalam Block, Nagapattinam.	M/S N.A.C. FARM Products, Annavasal Village, Sembanbar Koi Block, Tranquebar (Tk.), Nagapattinam (Distt.)	Organic Banana production unit	Work will start when the rainy season is over.
7.	30th July 2006	Sembanarkoil Block, Mayiladuthurai (Tk.), Nagapattinam (Distt.)	R.K.S. Dairy Farm, Semangalam Village, Sembanarkoil Block, Tranqubar (Tk.) Nagapattinam (Distt.)	Dairy Farm	The Promoter is doing the project is small level and currently improving the project for higher production of milk.
8.	30th July 2006	Sembanarkoil Block, Myladuthurai (Tk.), Nagapattinam (Distt.)	Siva Sakthi Seeds, Kanjanagaram Village, Sembanarkoil Block, Tranqubar (Tk.) Nagapattinam (Distt.)	Paddy Seeds production and processing unit.	Loan sanctioned from Canara Bank, Mayiladuthurai, Machileries arrived. Erection and trial production are to be done.
9.	20th Aug. 2006	Thiruvengadu Panchayat, Sirkali (Tk.) Nagapattinam, (Distt.)	Balaji Milk Dairy (Chilling Plant) Thiruvengadu Village, Sirkali Block (Tk.) secure Bank loan has not Nagapattinam (Distt.)	Milk Storing and Chilling unit.	Milk collection started. Promoters repeated effort to secure Bank loan has not materialized
10.	20th Aug. 2006	Thiruvengadu Panchayat, Sirkali Block, Nagapattinam (Distt.)	Siva Sakti Dairy farm, Thiruvengadu Village, Sirkali Block (Tk.), Nagapattinam (Distt.)	Milk Dairy farm	The Promoter going ahead with the project in a small way. He has arranged tie-up letter from buyers. Bankers are not supporting for financial assistance.
11.	20th Aug. 2006	Sattanathapuram Panchayat, Sirkali (Tk.), Nagapattinam.	Sri Apsara Garments, 3/314, Balaji Nagar, Sattanathapuram Village, Sirkali (Tk.), Nagapattinam (Distt.)	Ready made Garments	The Promoter, Mr. Durai Raj, approached Tamil Nadu Industries Investment Corp. Thanjavur who turned down

1	2	3	4	5	6
					the funding proposal N.S.I.C. of Chennai was approached who forwarded it to UCO Bank-Pondicherry, Indian Bank-Sirkali is now processing the proposal.
12.	20th Aug. 2006	Alkondanathan Panchayath, Kattumannar Koil Block Cuddalore (Distt.)	Sri Abiramani Sawmill, Chidambaram Main Road, Alkondanathan (Post), Kattumannar Koil (Tk.), Cuddalore (Distt.)	Wood working unit	The Promoter selected site Project documentation completed. Funding proposal not accepted by banks.
13.	20th Aug. 2006	Pulivalam Panchayath, Thiruvanaru.	Sri Durga Vilas, Gandhi Nagar, Pulivalam, Thiruvanaru.	Special Mania cake (ground net cake)	The Promoter Mr. Sekar started production and expanding the unit with product upgradation.